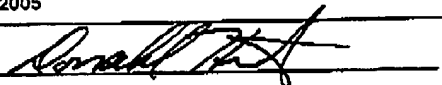



Doc Code: AP.PRE.REQ

PTO/SB/33 (07-05)

Approved for use through 10/30/2004. OMB 0651-00xx
U.S. Patent and Trademark Office, U.S. DEPARTMENT OF COMMERCE

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

PRE-APPEAL BRIEF REQUEST FOR REVIEW		Docket Number (Optional) 46	
facsimile transmitted to the USPTO			
I hereby certify that this correspondence is being mailed with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to "Mail Stop AF, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450" [37 CFR 1.8(a)] on 11/21/2005 Signature 		Application Number 10/785,111	
		Filed 2/23/2004	
		First Named Inventor Fusz, Eugene A.	
Typed or printed name Donald Hertz		Art Unit 3628	Examiner Polnvi, Frantzy
Applicant requests review of the final rejection in the above-identified application. No amendments are being filed with this request.			
This request is being filed with a notice of appeal.			
The review is requested for the reason(s) stated on the attached sheet(s). Note: No more than five (5) pages may be provided.			
I am the			
<input type="checkbox"/>	applicant/inventor.	Signature	
<input type="checkbox"/>	assignee of record of the entire interest. See 37 CFR 3.71. Statement under 37 CFR 3.73(b) is enclosed. (Form PTO/SB/96)	Louis J. Hoffman	
<input checked="" type="checkbox"/>	attorney or agent of record. 38,918 Registration number	(480) 948-3295	
		Telephone number	
<input type="checkbox"/>	attorney or agent acting under 37 CFR 1.34. Registration number if acting under 37 CFR 1.34	Date	
NOTE: Signatures of all the inventors or assignees of record of the entire interest or their representative(s) are required. Submit multiple forms if more than one signature is required, see below.			
<input checked="" type="checkbox"/> *Total of 1 forms are submitted.			

This collection of information is required by 35 U.S.C. 132. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11, 1.14 and 41.6. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Mail Stop AF, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.

NOV 21 2005

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants : Eugene Fusz, et al. Art Unit : 3628
Serial No. : 10/785,111 Examiner : Poinvil, F.
Filed : February 23, 2004
Title : An Online Product Exchange System

Commissioner for Patents
Mail Stop AF
P.O. Box 1450
Alexandria, VA 22313-1450

REASONS SUPPORTING
PRE-APPEAL BRIEF REQUEST FOR REVIEW

Dear Sir:

By accompanying papers, assignee has appealed from the Final Office Action dated May 19, 2005, and requested an extension of time and a pre-appeal-brief review. The Final Office Action rejects all claims as obvious under Section 103(a) over a single reference, U.S. Patent 4,992,940 to Dworkin. Assignee identifies the following clear errors in the final Office Action, including omission of essential elements needed for a *prima facie* rejection.

Claims that the Examiner Suggested Might Be Allowable

1. In an interview held on June 6, 2005, Examiner Poinvil identified two dependent claims (#30 and #36) for which he indicated that he understood and appreciated the distinctions argued by assignee's representative and promised to review those claims with a fresh eye to recommending allowance to his supervisor. While the examiner did not promise allowance of those claims unconditionally, he singled them out as likely allowable. However, the examiner has not had time to examine draft claims presented by assignee to secure allowability, necessitating this appeal. The two issues are:

(a) Claim 30 contains limitations referring to "special offers," whereby a buyer can post a special offer to purchase a product to specified sellers. The final Office Action asserts (at p. 7) that "Dworkin discloses means for potential buyers to post special offers to purchase for consideration by potential sellers. See column 2, lines 41-48." At the cited location, Dworkin states: "Other features of the system allow the user to receive

announcements about new products or services, to communicate complaints or suggestions to management or to a particular supplier, or to receive help in using the system. The user can also obtain detailed information about the requirements and policies of a particular vendor." Plainly, Dworkin addresses information being communicated by the sellers to the buyers, whereas the claim language refers to special offers from the buyers to particular sellers. In the interview, the examiner acknowledged that distinction. The final Office Action does not suggest any motivation for modifying Dworkin and was written under a misapprehension of what Dworkin disclosed.

(b) Claim 36 contains limitations referring to limiting matching products to those below a pre-specified price cap. The final Office Action agrees (at p. 8) that "Dworkin does not explicitly teach the processor is capable of limiting matching products to those products ... below a specified price cap." However, it argues that such would have been obvious "to broaden the choices of the available of [sic] products and related prices to users so that a user may obtain a product for the best or lowest price." But, the claimed invention would *limit* choices, not broaden them. A price cap allows the consumer to screen out higher-priced products, to reduce the number of "hits" in the returns page, even though there is some chance that a higher-priced product might be preferred because of greater features or better quality. Such screening ability provides applicant's marketplace system with significant flexibility absent from Dworkin or other known prior art. The motivation stated in the final Office Action does not meet the claimed limitation.

Other Clear Deficiencies in the Final Office Action

2. Aside from the claims identified in the interview, other disputes remain for resolution. Common to many or all issues is the following problem: At pages 3-4 of the Response to Office Action, assignee cited several court cases for the rule that Section 103 requires a showing of a suggestion and motivation to modify a reference. The final Office Action argues (p. 2) that the court decisions are inapplicable ("not proper") because "only a single reference is used." This represents clear error and demonstrates that the Office has held assignee to an overly tough standard. Showing suggestion and motivation is required whether there are multiple references being combined or a single reference being

extended. In re Kotzab, 217 F.3d 1365, 1369 (Fed. Cir. 2000) ("Even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference").

3. With respect to all claims, two problems remain:

(a) Dworkin does not disclose the claim limitation of a "file server accessible through a generally available wide area network" (specified as the Internet in certain dependent claims). He instead discloses "terminals" that may be connected remotely using modems in a "conventional manner," suggesting the use of specialized terminals. The final Office Action (p. 2) simply states: "Dworkin clearly teaches a wide area network." No discussion addresses the "generally available" claim limitation. Dworkin suggests nothing about his WAN being available to any computer; by contrast, any computer can be configured to connect to the Internet or other "generally available" WANs. As to the Internet subset of claims (39, 44, 45, 49, 63), the final Office Action simply says (p. 3) that Dworkin's WAN "is similar to the Internet," which (even if true) does not identify a proper motivation or suggestion to modify Dworkin to the "similar" system.

(b) Assignee and the examiner agree that Dworkin does not disclose the "second computer database," which contains data recording buyer, seller, price, and product data. Dworkin does not disclose recording such sales data at all. The final Office Action fails to contain any proper motivation or suggestion to modify Dworkin to supply the missing element. It states (p. 2) just that Dworkin's system "would include a client database, a product database or table and or a billing database or table which would be linked to one another" and "Updating of these databases would have also been obvious ... for tracking and reconciliation purposes." "Would include" suggests inherency, but the final Office Action does not show necessity, which is required for an argument of that sort. As to the tracking and reconciliation argument, there is no suggestion or motivation in Dworkin of any "tracking and reconciliation" function. Dworkin merely discloses using the computer as a form-filling tool to print a purchase order, which can then be mailed or emailed. The reference suggests paper recordkeeping, as opposed to machine-controlled tracking or reconciliation. Again, the argument does not identify a proper motivation or suggestion to modify Dworkin to supply the missing element.

4. The following problems remain with selected dependent claims:

(a) Claims 28, 44, 48, 51, 62, and 64 contain elements requiring automatic fee billing. Dworkin discloses merely automatic calculation of a shipping charge. The final Office Action says (p. 4) that the fact that charging fees for administrative and maintenance cost is well known gives the motivation to bill fees for each purchase in Dworkin's WAN. That does not meet the claim element, which requires automatic billing. Dworkin's system equally could have been financed through means other than automatic billing, such as not billing at all (if the WAN is used in-house to save money on purchasing for example), billing manually, billing through means other than transaction-by-transaction (such as per month), or charging "spreads" between buy and sell prices. Even if automatic billing is known, the final Office Action fails to show any proper motivation to modify Dworkin to apply automatic billing techniques to the claimed electronic marketplace context.

(b) Claims 33 and 47 refer to "mass uploads" of seller information (price and product configuration data). All agree that Dworkin does not disclose this feature. The final Office Action repeats (p. 8) the asserted "motivation of storing all records for all transactions which may be used for conflict resolution purposes," without commenting on assignee's questioning what "conflict resolution" means or has to do with mass uploads. Claims 32 and 66 have uploading by sellers but do not specify "mass" uploads; the final action treats those claims equally, without recognizing the distinction. There is no explanation of any motivation to upload the data en masse, nor any explanation of any reason why Dworkin's system would have obviously allowed the sellers direct access to upload their own data, as opposed to going through the system administrator.

(c) Claims 34, 44, 54, 62, and 65 contain variously worded limitations regarding price ranking. The final Office Action contains no discussion at all of any motivation to have modified Dworkin to order its displays in that fashion. The entire discussion (p. 8) is: "Dworkin discloses providing the lowest prices to the potential buyers." Dworkin does not order its displays in price rank: *See* Dworkin Fig. 6 (ordered alpha by manufacture, then by model number). The absence of any argument for motivation makes the rejection defective. Somewhat similar is claims 37 and 57, which refer to automatically finding and

transmitting the single lowest price. Dworkin discloses transmitting a set of prices for the user to examine on his or her own. Again, the final Office Action provides only the conclusory sentence above, without articulating any motivation meeting the claim.

(d) Claims 35 and 55 refer to matching products to a specified geographic region. The final Office Action concedes that Dworkin lacks this element but purports (p. 4) to find a motivation "to broaden the choices of the available of [sic] products and related prices to uses so that a user may obtain a product for a best or lowest available price." However, this motivation is not directed to the claim differences: In these claims, the restriction to a particular geography could well produce a higher price and will narrow the choices of products, directly contrary to the motivation proposed.

(e) Claim 38 adds a "network link between the file server and financial institutions" like a bank. The final Office Action concedes that Dworkin lacks this element but argues (pp. 8-9) that "a user would pay for the purchase of goods or services" and, since Dworkin "teaches obtaining credit from suppliers," linking would have been obvious "to facilitate billing, accounting and the provision of credits to potential buyers." The final Office Action also observes (p. 5) that "billing in a computer network is usually associated with a particular system linking to a credit card company or banks or other types of financial institutions." But, Dworkin does not disclose or suggest any form of automatic billing, so it is not seen how this proposed motivation could meet the claim.

If the Office has any questions concerning the above matters, please contact assignee's undersigned attorney.

Respectfully submitted,

CXN, INC.
by its attorney



Dated: November 21, 2005


Louis J. Hoffman
Reg. No. 38,918
LOUIS J. HOFFMAN, P.C.
14614 North Kierland Boulevard, Suite 300
Scottsdale, Arizona 85254
(480) 948-3295

Serial No. 10/785,111

Page 5

Certification Under 37 C.F.R. §§1.6, 1.8

The undersigned hereby certifies that this paper was sent via facsimile this 21st day of November, 2005, to the United States Patent and Trademark Office, to facsimile number (571) 273-8300, and the transmission was completed before midnight Eastern time.


Donald Hertz